

110TH CONGRESS
2D SESSION

H. R. 5991

To amend the Internal Revenue Code of 1986 to provide tax relief for
obtaining transportation worker identification credentials.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2008

Mr. PAUL introduced the following bill; which was referred to the Committee
on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide
tax relief for obtaining transportation worker identifica-
tion credentials.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tax Relief for Trans-
5 portation Workers Act of 2008”.

6 **SEC. 2. REFUNDABLE CREDIT FOR OBTAINING TRANSPOR-**
7 **TATION WORKER IDENTIFICATION CREDEN-**
8 **TIALS.**

9 (a) IN GENERAL.—Subpart C of part IV of sub-
10 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to refundable credits) is amended by redese-
 2 ignating section 36 as section 37 and by inserting after
 3 section 35 the following new section:

4 **“SEC. 36. TRANSPORTATION WORKER IDENTIFICATION**
 5 **CREDENTIALS.**

6 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
 7 dividual, there shall be allowed as a credit against the tax
 8 imposed by this chapter for the taxable year an amount
 9 equal to the qualified expenses paid or incurred in obtain-
 10 ing a valid transportation worker identification credential.

11 “(b) LIMITATION.—

12 “(1) IN GENERAL.—The amount allowed as a
 13 credit under subsection (a) for a taxable year shall
 14 not exceed the sum of the taxpayer’s regular tax li-
 15 ability and Social Security taxes for the taxable
 16 year.

17 “(2) REGULAR TAX LIABILITY AND SOCIAL SE-
 18 CURITY TAXES DEFINED.—For purposes of para-
 19 graph (1), the term ‘regular tax liability’ has the
 20 meaning given such term by section 26(b) and the
 21 term ‘Social Security taxes’ has the meaning given
 22 such term by section 24(d)(2).

23 “(c) DEFINITIONS.—For purposes of this section—

24 “(1) QUALIFIED EXPENSES.—The term ‘quali-
 25 fied expenses’ includes—

1 “(A) any fee imposed under section 70105
2 of title 46, United States Code, and

3 “(B) 40 percent of reasonable legal ex-
4 penses and any other expense reasonably in-
5 curred in obtaining a valid transportation work-
6 er identification credential.

7 “(2) TRANSPORTATION WORKER IDENTIFICA-
8 TION CREDENTIAL.—The term ‘transportation work-
9 er identification credential’ means the credential
10 issued under section 70105 of title 46, United States
11 Code.

12 “(d) DENIAL OF DOUBLE BENEFIT.—No credit shall
13 be allowed under subsection (a) for any expense for which
14 a deduction is allowed under any other provision of this
15 chapter.”.

16 (b) CONFORMING AMENDMENTS.—

17 (1) Paragraph (2) of section 1324(b) of title
18 31, United States Code, is amended by inserting be-
19 fore the period “or from section 36 of such Code”.

20 (2) The table of sections for subpart C of part
21 IV of subchapter A of chapter 1 of such Code is
22 amended by striking the item relating to section 36
23 and inserting the following new items:

“Sec. 36. Transportation worker identification credentials.

“Sec. 37. Overpayments of tax.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to expenses paid or incurred be-
 3 fore, on, or after the date of the enactment of this Act.

4 **SEC. 3. DEDUCTION FOR OBTAINING TRANSPORTATION**
 5 **WORKER IDENTIFICATION CREDENTIALS ON**
 6 **BEHALF OF EMPLOYEES.**

7 (a) IN GENERAL.—Part VI of subchapter B of chap-
 8 ter 1 of the Internal Revenue Code of 1986 (relating to
 9 itemized deductions for individuals and corporations) is
 10 amended by adding at the end the following new section:

11 **“SEC. 200. TRANSPORTATION WORKER IDENTIFICATION**
 12 **CREDENTIALS OBTAINED ON BEHALF OF EM-**
 13 **PLOYEES.**

14 “(a) ALLOWANCE OF CREDIT.—In the case of an em-
 15 ployer, there shall be allowed as a deduction an amount
 16 equal to 40 percent of the aggregate qualified expenses
 17 paid or incurred in obtaining valid transportation worker
 18 identification credentials on behalf of its employees.

19 “(b) DEFINITIONS.—For purposes of this section—

20 “(1) QUALIFIED EXPENSES.—The term ‘quali-
 21 fied expenses’ includes—

22 “(A) any fee imposed under section 70105
 23 of title 46, United States Code, and

24 “(B) reasonable legal expenses and any
 25 other expenses reasonably incurred in obtaining

3 “(2) TRANSPORTATION WORKER IDENTIFICA-
4 TION CREDENTIAL.—The term ‘transportation work-
5 er identification credential’ means the credential
6 issued under section 70105 of title 46, United States
7 Code.

8 “(3) EMPLOYEE.—The term ‘employee’ has the
9 same meaning as when used within the meaning of
10 section 401(c)(1).

11 “(c) ELECTION TO NOT TAKE DEDUCTION.—No de-
12 duction shall be allowed under subsection (a) for any ex-
13 pense if the taxpayer elects not to have this section apply
14 to such expense.”.

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting at the end the following new item:

“Sec. 200. Transportation worker identification credentials obtained on behalf of employees.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

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